

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency	(2) MEETING DATE 6/18/2013	(3) CONTACT/PHONE Richard Howell 805-781-5205	
(4) SUBJECT Request to approve a permit with Visitor Television, LLC for display advertising in the San Luis Obispo County Regional Airport terminal.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the permit and instruct the Chairperson to sign the display advertising permit.			
(6) FUNDING SOURCE(S) NA	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT Revenue to Airport Enterprise Fund - \$2,500	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP No	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 3 -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Richard Howell
805-781-5205

DATE: 6/18/2013

SUBJECT: Request to approve a permit with Visitor Television, LLC for display advertising in the San Luis Obispo County Regional Airport terminal.

RECOMMENDATION

It is recommended that the Board approve the permit and instruct the Chairperson to sign the display advertising permit.

DISCUSSION

Airport staff has been developing a display advertising program to supplement other revenue streams in an ongoing effort to generate new revenue. In the past, this program has focused on advertising runs of 90 days or less. Visitor Television, LLC approached the airport with a proposal to install new equipment and infrastructure and has requested this permit for a two year term.

The display advertising permit includes the Visitor Television, LLC proposal as Exhibit A and provides opportunities to promote the Airport on three other Visitor TV resources. These resources include the Visitor TV Hotel network currently consisting of 88 area hotels and 6,254 hotel guest rooms, the Visitor Television, LLC website, and three Visitor TV displays being proposed for the post security hold rooms in the terminal.

In addition to tourism related advertising, the Visitor TV proposal includes travel related programming pertaining to Central Coast entertainment and activities. Current program topics include tide pooling, hiking, farm to table, exploring Hearst Castle, wine tasting, beer tasting, the elephant seals, biking on the Central Coast, and exploring the Central Coast on water.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel reviewed documents for form and legal effect.

FINANCIAL CONSIDERATIONS

Visitor Television, LLC shall pay the County a display advertising fee ("Display Advertising Fee") equal to 25% of all advertising revenue generated estimated to be \$2,500 annually. Visitor Television, LLC will display on the three digital displays described in the proposal, page 3 and 4, under the heading "Revenue Share" (See exhibit A). Advertising revenues shall include, but shall not be limited to, all gross revenues received or derived from the sale of advertising content by Visitor TV on these three airport TV media displays. Advertising revenues shall not be reduced by bank charges, uncollected or uncollectible credit accounts, charges made by collection agencies, bad debt losses, or any commission or other amount paid out or rebated by Visitor Television, LLC to others with respect to any sale of the airport TV media display ads.

Visitor Television, LLC shall be eligible to receive up to a \$2,445 display advertising fee credit for actual and reasonable costs associated with equipment installation. Said equipment shall include three TV displays and brackets, two media players and three power hook ups. All costs will be approved in advance by the County and shall be limited to \$815 per display location. Credit will be for installation costs, only, and not the cost to purchase equipment or supplies. The credit will be applied against the Display Advertising Fee owed by Visitor Television, LLC during the term of the permit. The County will not be responsible to Visitor Television, LLC for any outstanding installation credit balance, if any, at the expiration of the term.

Visitor Television, LLC shall pay at commencement of this permit a one-time County information technology configuration fee related to the connection to the County's network in the amount of \$300 or actual time at the then current County IT full hourly rate, whichever is less.

RESULTS

Approval of the permit will allow the Airport to further enhance its revenue streams while at the same time continuing to cross promote services with travel related community partners.

ATTACHMENTS

Attachment 1 – Visitor Television Permit.